proposal related to calculating the quota levels for small suppliers for the remaining years of the ATC using the most favourable methodology available in respect of those members under the growth on growth provisions. Acceptance of the second implementation tirets required members to calculate the quota levels for the remaining years of the Agreement as if implementation of growth on growth provision for the third stage had been advanced to 1st January 2000 instead of 1st January 2002 could lead to an increased market access for our textiles and clothing products. India, had coordinated its position on the implementation issue on "growth-on-growth" with certain other textile exporting countries, including the ITCB member countries, and sought a satisfactory resolution of this issue. This was however strongly opposed by the United States and certain other restraining countries. The issue could therefore not be successfully resolved by 31st July, 2002. India has raised the issue of non-adherence to the deadline on this implementation issue as mandated by the Doha Ministerial Conference at the WTO and various bilateral meetings with major trading countries.

(d) The USA, EU Member States, U.A.E., Japan, Saudi Arabia, Canada, Hong Kong, Malaysia, Australia, etc. are the major international partners of our textile goods.

(e) and (f) Till December 31, 1994, the exports of textiles to certain developed countries (*i.e.* US; member countries of EU; Canada) had been governed by bilateral textile agreements entered into between India and these countries under the aegis of the Multi-Fibre Arrangement (MFA), outside the rules of the General Agreement on Tariffs and Trade (GATT). With effect from January 1, 1995, the quantitative restrictions (import quotas) in the bilateral agreements under the MFA, are being governed by the Agreement on Textiles and Clothing (ATC) contained in the Final Act of the Uruguay Round negotiations of the GATT. Presently, our textiles and clothing items face restraints in USA, European Union and Canada. As per ATC, the textile quotas would be phased out and textile sector fully integrated into WTO by 1st January, 2005.

Export of textiles to developed countries

2972. SHRI P. PRABHAKAR REDDY: Will the Minister of TEXTILES be pleased to state:

(a) whether Government has drawn up a plan to open up in a big way the textile exports to developed countries;

(b) if so, the details thereof;

(c) whether Government is aware that the textile sector has to face a big challenge in the international market in the form of trade defence measures like anti-dumping and countervailing duties; and

(d) if so, steps proposed to take care of these measures?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) and (b) Government have continuously been taking steps from time to time to boost textile exports in international market. Some of the important initiatives taken in recent past are:

(i) The Government has de-reserved the woven segment of readymade garment from the SSI sector. It has also announced the de-reservation of knitted segment in the Union Budget 2002-03.

(ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

(iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures.

(iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought from 15% to 5%. A programme has also been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.

(v) Foreign equity participation upto 100% through automatic route has been allowed in the textile sector with a few exceptions.

(vi) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

(vii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports.

(viii) For upgrading infrastructure facilities at important textile centres, a scheme 'Textile Centre Infrastructure Development Scheme (TCIDS) has been launched. A provision of Rs.15 crores has been made in the B.E. 2002-03 for providing assistance under the scheme.

(ix) The Textile Export Promotion Councils are regularly undertaking export promotional activities by way of participation in fairs/ exhibitions abroad and organising Buyer-Seller Meets in important markets. As a part of the efforts to boost textile exports to Latin American markets, a mega Textile Trade show was organised under the LAC programme. Co-ordinated promotional events are also planned under the Focus Africa programme to boost the exports of yarn and fabrics to the growing African apparel industry.

(c) and (d) The textile industry in India is facing certain trade defence measures. However, appropriate action is taken by the designated Indian authorities under anti-dumping, countervailing and safeguard measures under the WTO agreements. As regards the anti-dumping/anti-subsidy action faced by Indian exporters, the concerned Export Promotion Councils in consultation with the Government of India co-ordinate the defence of Indian exporters. In case of any violation of the provisions of the agreement in such investigations, the Government takes recourse to the Dispute Settlement provisions of WTO in consultation with the industry.

Factors effecting silk industry

2973. SHRI JANARDHANA POOJARY: Will the Minister of TEXTILES be pleased to state:

(a) what are the factors effecting silk industry in the country;

(b) whether it is a fact that price of silk cocoons and raw silk has fallen drastically recently thereby adversely effecting sericulture sector in the country; and

(c) if so, the measures taken to provide relief to the sericulture sector?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) Among several factors effecting the silk industry, we may list quality of cocoons, quality-linked pricing and marketing systems for cocoons, technologies in reeling and twisting and cost and quantum of imports of raw silk into the country.

(b) Yes, Sir.